

RECEIVED

JUN 11 1997

Before the  
FEDERAL COMMUNICATIONS COMMISSION  
Washington, D.C. 20554

Federal Communications Commission  
Office of Secretary

In the Matter of )  
 )  
MOBILEMEDIA CORPORATION, et al. ) WT Docket No. 97-115  
 )  
Applicant for Authorizations and Licensee )  
of Certain Stations in Various Services )  
 ) DOCKET FILE COPY ORIGINAL  
To: The Honorable Joseph Chachkin )  
The Commission )

PETITION FOR INTERVENTION

Pursuant to Section 309(e) of the Communications Act of 1934, as amended ("the Act"),<sup>1/</sup> and Section 1.223(a) of the Commission's rules,<sup>2/</sup> The Chase Manhattan Bank, as agent for the secured lenders to MobileMedia Communications, Inc. ("Secured Lenders"), hereby petitions for intervention in the above-captioned proceeding involving MobileMedia Corporation and its subsidiaries, debtors-in-possession ("MobileMedia").<sup>3/</sup> The Secured Lenders seek to intervene now, despite the Commission's June 6, 1997 order staying proceedings in this matter, because that order did not expressly toll the 30-day time period for intervention under Section 1.223(a). As set forth below, the Secured Lenders wish to preserve their right to participate as parties because the Commission's action on MobileMedia's *Second Thursday* application or (if the hearing resumes)

---

<sup>1/</sup> 47 U.S.C. § 309(e).

<sup>2/</sup> 47 C.F.R. § 1.223(a).

<sup>3/</sup> The hearing designation order in this case directs the Presiding Judge to certify petitions for intervention to the Commission for resolution. FCC 97-124 (released April 8, 1997), at ¶ 15(b).

No. of Copies rec'd  
List A B C D E

0220

MobileMedia's applications and licenses will have a substantial and direct effect on their financial interests.

The hearing designation order in this case designated the pending applications of MobileMedia for hearing pursuant to Section 309(e), as well as directing MobileMedia to show cause why its licenses should not be revoked pursuant to Section 312 of the Act.<sup>4/</sup> Section 309(e) establishes a statutory right to intervene for all “parties in interest” that timely file a petition showing “the basis for their interest.” 47 U.S.C. ¶ 309(e). As set forth in their prior pleadings in this matter,<sup>5/</sup> and as demonstrated by the attached Declaration of Ann C. Kurinkas, the Secured Lenders consist of approximately 37 financial institutions that made \$649 million in prepetition secured loans to MobileMedia Communications, Inc., a subsidiary of MobileMedia. Certain of the Secured Lenders have also agreed to provide up to an additional \$200 million in postpetition secured financing. The Secured Lenders thus represent the largest class of MobileMedia’s creditors. The Commission’s June 6 stay order expressly recognized that this proceeding will have a direct and substantial impact upon the ability of Secured Lenders and other creditors to recover on their significant loans to MobileMedia. As that order found, “there is unquestionably a danger of severe harm to a multitude of innocent creditors here.” FCC 97-197, at ¶ 13. The Commission’s stay order also recognized that, in light of MobileMedia’s posture in bankruptcy, its creditors now constitute the principal stakeholders in the enterprise. *Id.* at ¶¶ 14, 16.

---

<sup>4/</sup> *Id.* at ¶ 14. See also *id.* at ¶ 12 n.2.

<sup>5/</sup> See, e.g., Comments of Secured Lenders in Support of Motion for Waiver and Application for Review (May 15, 1997).

It is well settled that in cases such as this one, involving an applicant in bankruptcy, creditors are “parties in interest” within the meaning of Section 309(e) of the Act and Section 1.223(a) of the rules. Image Radio, Inc., 12 R.R.2d 671, 672 (ALJ) (“The operative fact here [where the licensee was in bankruptcy], and the essence of intervention by right, is that petitioners' normal interest in protecting the value of their security is an indication that they would be vigilant and helpful in the renewal case”), aff'd, 13 F.C.C.2d 59 (Rev. Bd. 1968); see Hertz Broadcasting of Birmingham, Inc., 46 F.C.C.2d 350, 352 (Rev. Bd. 1974) (distinguishing creditors' intervention where applicant is not in bankruptcy, noting that in Image “the crucial factor was that the corporation had declared bankruptcy and was in the hands of the trustee; thus, the Judge held that the creditors had a direct financial stake in the outcome”).<sup>6/</sup>

In endorsing the rule in Image Radio, the Commission has made clear that it “will not, when a licensee is in bankruptcy, restrict intervention in the proceedings solely to the trustee [or, as here, the debtor-in-possession], but will allow a creditor of the licensee corporation to intervene if that creditor can show that a direct and substantial injury could result from the outcome of the proceeding.” Morton Jerome Victorson, Bankruptcy Trustee, 10 FCC Rcd 9499, 9500 (1995). As noted above, the Commission has already recognized that possibility here. Indeed, an adverse determination in this proceeding could eliminate the ability of Secured Lenders to obtain repayment of their substantial loans. See Image Radio, 12 R.R.2d at 672 (Where secured creditors sought to

---

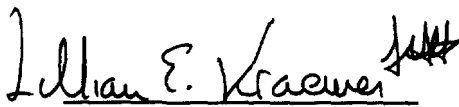
<sup>6/</sup> Like Hertz, other cases denying intervention by creditors have not involved licensees in bankruptcy. See Faith Center, Inc., 94 F.C.C.2d 756, 759 (Rev. Bd. 1983); Arizona Mobile Telephone Co., 80 F.C.C.2d 87, 90 (Rev. Bd. 1980). Nor are the Secured Lenders -- unlike competitors and other potential intervenors -- “bent on harassment.” Image Radio, 12 R.R.2d at 673 distinguishing United Church of Christ v. FCC, 359 F.2d 994, 1006 (1966).

intervene in a renewal hearing of a licensee in bankruptcy, "[i]t is assumed that the security of petitioners would be substantially impaired by failure to renew the license which is in jeopardy in the present case.")

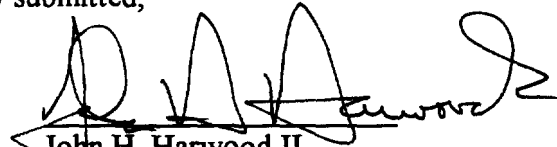
If Secured Lenders are not deemed to be a party in interest, they seek leave to intervene pursuant to Section 1.223(b) of the rules. Because of the Secured Lenders' role in MobileMedia's bankruptcy proceeding, they will be able to provide the Commission with substantial assistance with respect to the Second Thursday application that MobileMedia and its creditors have committed to file. In addition, in the unlikely event that the hearing resumes (the Secured Lenders have committed to achieving a sale or reorganization consistent with Second Thursday), the Secured Lenders will provide the Commission a perspective on the facts and law that is not affected by the allegations of wrongdoing set forth in the hearing designation order.

For the reasons stated above, Secured Lenders petition for intervention in this proceeding pursuant to Section 309(e) of the Act and Section 1.223(a) of the Commission's rules.

Respectfully submitted,



Lillian E. Kraemer  
Steven M. Fuhrman  
Brian Trust  
SIMPSON THACHER & BARTLETT  
425 Lexington Avenue  
New York, New York 10017  
(212) 455-2000



John H. Harwood II  
William R. Richardson, Jr  
WILMER, CUTLER & PICKERING  
2445 M Street, N.W.  
Washington, D.C. 20037-1420  
(202) 663-6000

Counsel for The Chase Manhattan Bank,

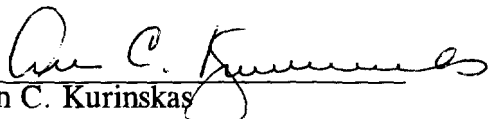
### **DECLARATION OF ANN C. KURINSKAS**

Ann C. Kurinskas hereby declares as follows:

1. I am a Managing Director, The Chase Manhattan Bank, in New York City.
2. The Chase Manhattan Bank acts as agent for the secured lenders to MobileMedia Communications, Inc. The secured lenders consist of approximately 37 financial institutions that made \$649 million in prepetition secured loans to MobileMedia Communications, Inc. ("MobileMedia"), a subsidiary of MobileMedia Corporation. Certain of the secured lenders have also agreed to provide MobileMedia up to an additional \$200 million in postpetition secured financing, which has been approved by an order of the bankruptcy court, in order to protect the substantial financial stake the secured lenders have in MobileMedia as a result of their prepetition secured loan. The secured lenders as of May 23, 1997 are identified on the attached list.
3. The Chase Manhattan Bank, as agent for the prepetition secured lenders and the postpetition secured lenders, takes the lead in coordinating and presenting the position of the groups it represents in negotiations with MobileMedia, debtor-in-possession, and the other parties in interest in MobileMedia's pending Chapter 11 case. As a Managing Director in the agent's Special Loan Group, I have been assigned primary line responsibility for these functions.
4. I have reviewed the "Petition for Intervention" to which this declaration is attached. The facts stated in that Petition are, to the best of my knowledge, true and correct.

I declare under penalty of perjury that the foregoing is true and correct.

Executed June 10, 1997.

  
Ann C. Kurinskas

**SECURED LENDERS**

1. The Chase Manhattan Bank
2. Goldman Sachs Credit Partners L.P.
3. Van Kampen American Capital PRIT
4. Merrill Lynch, Pierce, Fenner & Smith Inc.
5. Citibank, N.A.
6. Whippoorwill Associates
7. Fernwood Restructuring Ltd.
8. The First National Bank of Boston
9. The First Union National Bank of North Carolina
10. CIBC, Inc.
11. Merrill Lynch Senior Floating Rate
12. D.K. Acquisition Partners, G.P.
13. Long-Term Credit Bank of Japan, Ltd. New York Branch
14. Shawmut Bank Connecticut, N.A.
15. Prime Income Trust
16. Franklin Mutual Advisers, Inc.
17. Morgan Stanley Senior Funding
18. Banque Nationale de Paris
19. Corestates Bank, N.A.
20. Dresdner Bank AG
21. Societe Generale
22. Indosuez Capital Funding, II
23. Salomon Brothers
24. Bank of America, NT & SA
25. City National Bank
26. National City Bank
27. Society National Bank
28. Royal Bank of Canada
29. Fleet Bank, N.A.
30. Bear Stearns Securities
31. Banque Francaise du Commerce Exterieur
32. Lehman Commercial Paper, Inc.
33. PPM America, Inc.
34. Baker Nye Special Credits, Inc.
35. MFS High Income (MFH)
36. Fuji Bank, Ltd.
37. Paresco, Inc.

CERTIFICATE OF SERVICE

I hereby certify that on this 11th day of June, 1997, I caused copies of the foregoing

Petition for Intervention to be hand-delivered to the following:

The Honorable Joseph Chachkin  
Administrative Law Judge  
Federal Communications Commission  
2000 L Street, N.W.  
Room 226  
Washington, D.C. 20554

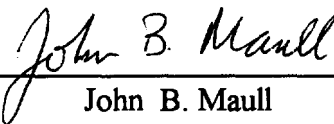
Daniel B. Phythyon  
Acting Chief  
Wireless Telecommunications Bureau  
2025 M Street, N.W., Room 5002  
Washington, D.C. 20554

Rosalind K. Allen  
Deputy Chief  
Wireless Telecommunications Bureau  
2025 M Street, N.W., Room 5002  
Washington, D.C. 20554

Gary P. Schonman  
D. Anthony Mastando  
Enforcement Division  
Wireless Telecommunications Bureau  
2025 M Street, N.W., Room 8308  
Washington, D.C. 20554

Richard E. Wiley  
Robert L. Pettit  
Nancy Victory  
Wiley, Rein & Fielding  
1776 K Street, N.W.  
Washington, D.C. 20006

Phillip L. Spector  
Patrick S. Campbell  
Paul, Weiss, Rifkind, Wharton & Garrison  
1615 L Street, N.W.  
Washington, D. C. 20036-5694

  
\_\_\_\_\_  
John B. Maull